

OHLONE COMMUNITY COLLEGE DISTRICT

MEMORANDUM

TO: Board of Trustees

FROM: Douglas Treadway

DATE: September 8, 2004

SUBJECT: Approval to Contract with Eller & Associates for Legal Services Related to Fremont Campus Asset Management

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The Board of Trustees has had several discussions about the College's need to develop alternate funding sources to protect the college from the fluctuations in state funding support. Mr. Jim Goodell of Public Private Ventures has presented strategies to the Board for the development of the College's property fronting on Mission Boulevard. Mr. Goodell has also facilitated several meetings between staff and various developers in the area. Recently the Board of Trustees received two feasibility studies: one study conducted by the Thompson group addresses the viability of a grocery operation on the frontage property, and the other study, by S.L. State & Associates, addresses the viability of rental housing on the site. Both studies clearly identify that the frontage property should be highly desirable to developers.

Although there must be more Board and general campus discussion about how to develop the college's frontage property, it is appropriate that the Board of Trustees authorize specialized legal services related to this endeavor. Specialized services could encompass assistance with drafting an RFP to solicit developer proposals, apprising the Board on various types of ground lease agreements, insuring compliance with all related codes, interfacing with the State Chancellor's Office if necessary, negotiating actual lease contracts, attending Board meetings and advising on other related matters.

Mr. Eller has considerable experience in the field of asset management related to the development and disposition of various surplus properties for several local community colleges. Mr. Eller personally negotiated long-term ground leases for surplus properties in the West Valley Community College District and the San Jose – Evergreen Community College District. Staff is recommending that the Board of Trustees authorize the utilization of Eller & Associates as legal counsel for matters related to the development of surplus property on the Fremont campus at the rates specified in the attached fee proposal. Due to a scheduling conflict, Mr. Eller cannot be present at the Board meeting this evening.

RECOMMENDATION:

The President/Superintendent recommends that the Board of Trustees authorize the use of Eller & Associates for legal matters related to the development of surplus properties at the Fremont campus based on the attached fee schedule.

Attachment: Fee agreement proposal from Eller & Associates